Tom Braden

Nixon's Fixer Surfaces Again

AFTER SHERMAN ADAMS had testified before the Congress, the furor did not die down. He admitted receiving favors, including a vicune coat, from an old friend named Bernard Goldfine and making telephone calls to regulatory agencies on Goldfine's behalf. Demands for his resignation grew louder.

"I had made," he later confessed, "some mistakes in judgment. I did not stop to consider that in making a personal call . . . I might be giving officials in the federal agency an erroneous impression that I had a personal interest in their ruling. This was a blind spot of which I was not sufficiently aware . . . No expression of interest, no matter how innocent or slight, is ever completely disregarded when it comes from the desk where I sat."

So Adams was recalled from vacation. President Eisenhower wanted him to talk over the problem with Richard Nixon. Adams did so, and sent word to Eisenhower that he would resign.

Mr. Nixon may now have a similar chat with Peter Flanigan, who has been the go-between for the Justice Department and ITT. For the Adams surmise that "my continued presence on the White House staff might hurt the Republicans in the November elections" is also true of Flanigan.

EVER SINCE Mr. Nixon took office, Flanigan's name has been surfacing in deals between business and government. There was the story of the San Sinena, a Liberian tanker in which Flanigan had an interest. The Treasury Department issued a special permit permitting the tanker to do business between U.S. ports. Former Sen. Joseph Tydings of Maryland charged that the permit was worth $6 million.

Then there was the decision to put the New York investment firm of Dillon Read & Co. in charge of issuing $250 million worth of postal bonds. Congressman Moe Udall (D—Ariz.) charged that Dillon Read lacked experience in this type of financing and that the firm was chosen because Flanigan had been its vice president.

Sen. Tom Eagleton (D—Mo.) has said that Flanigan persuaded the Environmental Protection Agency to ignore emission standards for the Anaconda Copper Co. He is now looking into what he believes to be Flanigan's role in pressuring the same agency on behalf of Armco Steel. In short, Flanigan had already acquired a name in Washington as White House fixer when his role in the ITT case became public.

Now that it is clear that Flanigan had a voice in the decisions affecting ITT, Democrats are not likely to leave him alone. At least two senators are hard at work digging out the record and, as with Sherman Adams, the furor is unlikely to die.

THERE IS something wrong with a Justice Department which calls upon a White House aide to arrange for advice on an antitrust proceeding. There is something wrong with a White House aide who considers that making arrangements for such advice should be part of his job.

The problem Flanigan personifies has nothing to do with party. In 1960, Jay T. Naylor, a vice president of ITT, charged that the company's president, Harold S. Geneen, had instructed top executives to contribute to Lyndon Johnson's campaign for Vice President. "You are down to $1,200," Geneen said, according to Naylor. "You will be expected to recover the amount by covering it up in your traveling expense account."

The Flanigan problem has to do with the relationship between government and business. That relationship should be fair and objective and beyond political influence. Adams took a vicuna coat from an old friend. Nobody has accused Flanigan of taking anything. But the public became aroused about the coat, and though the ITT case contains no such easy symbols, the public is aware that Flanigan intervened, and that after he had done so a big business got what it wanted. Poor old Bernard Goldfine had no such luck.

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